

**NOTICE OF AMENDMENT**

**CERTIFIED - RETURN RECEIPT REQUESTED**

April 7, 1997

Mr. David R. DuBois  
Vice President  
Phillips Pipe Line Company  
382 Adams Building  
Bartlesville, Oklahoma 74004

CPF No. 37518M

Dear Mr. DuBois:

On May 7th - May 9th, 1996, representatives of the Central Region, Southwest Region, and Western Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of Title 49 of the United States Code, conducted a joint inspection of the operations and maintenance manuals of Phillips Pipe Line Company (Phillips) at your headquarters in Bartlesville, Oklahoma. A subsequent field inspection by the Southwest Region at Borger, Texas, also included a review of certain procedures, and that procedural review is included as part of the joint inspection.

Thank you for the participation of your company in our team procedures inspection program and for the cooperation of your representatives during the inspections. By performing a joint inspection of an operator's operating and maintenance manual OPS is trying to reduce the time spent by OPS inspectors performing repeated reviews of the manuals during each field inspection and the time spent by pipeline operator personnel preparing for these reviews and making the various changes in the wording of the manuals following these inspections. It is OPS' intent, in using this program, to restrict the performance of in-depth inspections of an operator's manuals to intervals of a least five years, unless some untoward event or major revision warrants an additional inspection. This program has been well received by those operators whose manuals have been inspected by a joint inspection team. Field inspectors are still expected to examine

the manuals to determine the adequacy of site specific procedures and evaluate compliance with the procedures.

As a result of these inspections of your operations and maintenance manuals required under Section 195.402(a), Title 49, Code of Federal Regulations, Part 195, it appears that your written procedures were inadequate in regard to the items noted below. These items were reviewed with your representatives at the completion of the inspections.

**§ 195.402 Procedural manual for operations, maintenance, and emergencies.**

**§ 195.402(c) requires that the manual required by § 195.402(a) include procedures for specified items to provide safety during normal operations and maintenance.**

**a) Operating, maintaining, and repairing the pipeline system in accordance with the requirements of Subpart F (of Part 195).**

- a.1) Your corrosion control testing procedures (MPR-7003 and MPR-7004) suggest that specific procedures for cathodic protection apply only to "regulated intrastate pipelines in Texas." This was noted in Paragraph 1B, page 1 of 3 and Paragraph 7, page 2 of 3 in MPR-7003. It was additionally noted in MPR-7004 that the "regulated intrastate lines in Texas" are required to meet the criteria set forth in the most current edition of NACE RP-01-69.

These criteria are accepted industry standards and are used to establish compliance with the corrosion control requirements of § 195.414 and § 195.416. Your procedures should be clarified to include the use of these criteria to evaluate all pipelines, not just regulated intrastate pipelines in Texas.

- a.2) Your corrosion control testing procedures (MPR-7003 and MPR-7004) also require expansion to provide additional direction to corrosion control technicians in regard to monitoring bare pipelines that are not cathodically protected to determine the need for cathodic protection. Monitoring by electrical survey is required to be performed at five-year intervals by § 195.416(d). The procedures need to provide guidance as to the monitoring methods acceptable to Phillips and also the cathodic protection criteria to be applied.

If noted problems are to be referred to corrosion control supervisory staff for formulation of an action plan, this direction would also be included.

- a.3) Your corrosion control procedures (MPR-7004) include inadequate direction for the monitoring of corrosion control using the "Net Current Flow" technique, or criteria. Paragraph 3 on page 3 of 4 and the accompanying Figure 3 on page 4 appear to provide for the measurement of increased electrical potential differences (IR drop) resulting from greater distances between the pipe and measuring equipment. Use of the "net protective current" criteria, as per NACE RP-01-69, requires its use only at locations predetermined by other electrical survey techniques along the center of the pipeline.

Additional information concerning the use of this technique is included in the proposed standard being prepared by the NACE T-10A-3 Technical Committee. The proposed standard also advises that the technique is not meaningful in multiple pipeline rights-of-way.

- b) Analyzing pipeline accidents to determine their causes, as required by § 195.402(c)(5).**

The procedures for analyzing pipeline accidents to determine their causes required expansion to include additional direction to personnel in regard to photographic documentation, pipe handling and retention, interviews, and possible use of metallurgical analysis.

In addition to the procedural items noted above to be inadequate, our representatives also expressed concern in regard to several other aspects of your corrosion control procedures. These concerns involved the application of IR-drop considerations and circumstances which may require visual inspections. They are brought to your attention for your consideration.

- a) Your corrosion control procedure (MPR-7004) for use of the -850 mV criteria for determining adequate cathodic protection does not include consideration of IR-drop across the soil between the pipe and the copper-copper sulfate half cell. This criteria is included in NACE's RP-01-69-92 which will be proposed for incorporation by reference into Part 195.

- b) Your corrosion control procedure (MPR-7004) for "Visual Inspection" provided direction for visual inspection of buried pipe. The procedure could be enhanced by also including noted changes in environmental conditions which would impact the corrosion control scheme, or changes in cathodic protection levels as situations which would instigate excavation and visual examination of the pipe.
- c) It was also suggested that you consider adding provisions which would cause consideration of running internal inspection devices in your pipelines to your corrosion control procedures.

In regard to the deficiencies in your procedures noted under items §195.402 (a) and (b), the Office of Pipeline Safety is issuing to you a Notice of Amendment requiring that your procedures be amended to comply with the requirements of the regulations referenced. In regard to the areas of concern noted under items (a)-(c), we ask that you give consideration to these items in the conduct of your operation and maintenance program and in your review of your procedures.

When it is found that an operator's procedures are inadequate, 49 CFR §190.237, provides that the operator, after notice and opportunity for hearing, may be required to amend its plans and procedures. This letter serves to provide you with the notice of the inadequate procedures and the response options as prescribed under §190.237. Under §190.237, you have a right to submit written comments or request an informal hearing. You must submit written comments or a request for a hearing within 30 days of receipt of this notice. After reviewing the record, the Associate Administrator for Pipeline Safety will determine whether your plans or procedures are adequate. If you do not wish to contest this notice, please provide your revised procedures within 30 days of receipt of this notice. If additional time is required to revise the procedures, you may request additional time by contacting the Regional Director.

Thank you again for your cooperation. If you have any questions in regard to this matter, please contact me or Warren Miller at 816/426-2654.

Sincerely,

Ivan A. Huntoon  
Director, Central Region

Office of Pipeline Safety